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Acting Director and Chief Medical Officer

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COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
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February 10, 2006

TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.
Acting Director and Chief Medical Officer

SUBJECT: **PATIENT ACCOUNT COMPROMISE REPORT -
SECOND QUARTER FISCAL YEAR (FY) 2005 - 2006**

Attached is DHS' quarterly report of approved account compromises which shows the liability reduced and the reasons for such reductions. For the second quarter covering October 1, 2005 through December 31, 2005, total liability reductions were \$1.7 million (26%) and corresponding approved compromise offers were \$4.8 million (74%).

If you have questions or desire additional information, please let me know.

BAC:lg (AStecker\FY0506CompromiseReportQ2\FY0506Q2.doc)
02-06-06-002

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Treasurer Tax Collector

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
APPROVED PATIENT ACCOUNT COMPROMISES
FISCAL YEAR 2005 - 2006
SECOND QUARTER

FACILITY	NUMBER OF ACCOUNTS	APPROVED OFFER OF COMPROMISE	APPROVED TOTAL LIABILITY REDUCTION	REASON(S) FOR COMPROMISE
NORTHEAST AREA				
Hospital	199	\$ 2,185,618	\$ 723,326	One-Hundred-seventy-seven (177) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Sixteen (16) accounts as third-party claims settled.
CHC/HC	0	\$ -	\$ -	Six (6) accounts as amounts exceeded patients' current financial resources to pay.
TOTAL NORTHEAST AREA	199	\$ 2,185,618	\$ 723,326	
SOUTHWEST AREA				
Hospital	43	\$ 110,587	\$ 38,333	Thirty-four (34) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Nine (9) accounts as third-party claims settled.
CHC/HC	0	\$ -	\$ -	
TOTAL SOUTHWEST AREA	43	\$ 110,587	\$ 38,333	
SAN FERNANDO VALLEY AREA				
Hospital	30	\$ 195,122	\$ 85,497	Thirty (30) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
CHC/HC	0	\$ -	\$ -	
TOTAL SAN FERNANDO VALLEY AREA	30	\$ 195,122	\$ 85,497	
COASTAL AREA				
Hospital	196	\$ 2,301,221	\$ 838,688	One-Hundred-one (101) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Ninety (90) accounts as amounts exceeded patients' current financial resources to pay.
CHC/HC	0	\$ -	\$ -	Five (5) accounts as third-party claims settled.
TOTAL COASTAL AREA	196	\$ 2,301,221	\$ 838,688	
ANTELOPE VALLEY AREA				
Hospital	4	\$ 1,200	\$ 600	Four (4) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
CHC/HC	0	\$ -	\$ -	
TOTAL ANTELOPE VALLEY AREA	4	\$ 1,200	\$ 600	
RANCHO LOS AMIGOS				
TOTAL RANCHO LOS AMIGOS	3	\$ 985	\$ 983	Three (3) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
TOTAL FY 05-06 - 1ST. QTR ALL FACILITIES	475	\$ 4,794,733	\$ 1,687,427	
COLLECTION RATIO FY 05-06 - 2ND. QTR - ALL FACILITIES			74%	
COLLECTION RATIO FY 05-06 YTD - ALL FACILITIES			73%	COLLECTION RATIO FY 04-05 ALL FACILITIES 67%